

Selling Your Timber in Today's Market

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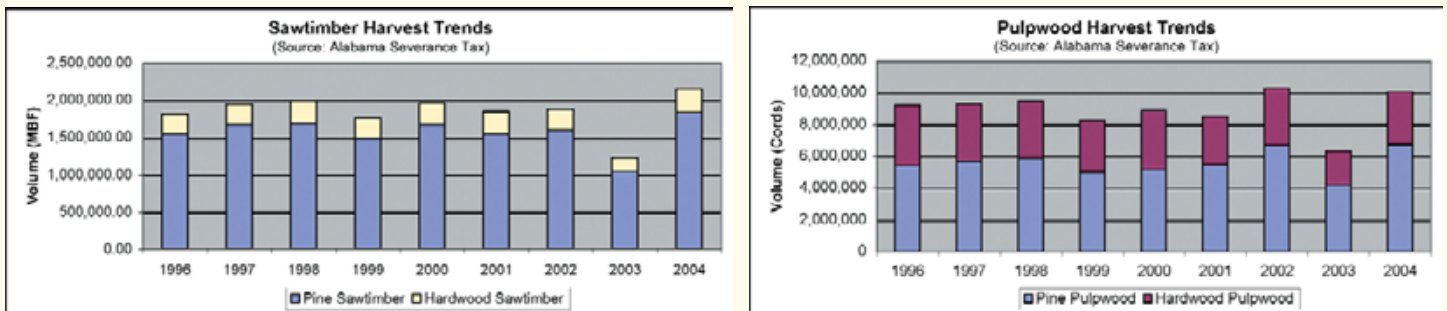


Figure 1 - Alabama Harvest Trends for 2004

Markets for all timber products have been on a roller-coaster ride for most landowners. Hurricane Ivan timber salvage flooded markets, but sawtimber prices were partially offset by good markets for lumber, plywood, and engineered wood such as oriented strand board. Pulpwood markets have been especially bad, due again to oversupply and poor local and international markets for pulp. This article will explain those trends, track stumpage prices over the past year, and provide landowners with a tool to assist them in selling timber in today's market.

Also included in this article are locations of the major wood using industries in Alabama that purchase timber from landowners, information on how to contact timber buyers, and how to contact forestry vendors that can help get your property site prepared and reforested after harvest.

Combined harvests of all four major timber products (pine sawtimber, hardwood sawtimber, pine pulpwood, and hardwood pulpwood) increased by approximately 67% during 2004, with sawtimber harvests reaching a nine-year high (Figure 1). The forest industry responded well to improved domestic and international markets by increasing production levels, buying and storing hurricane-salvaged wood utilized in supplying

materials to rebuild homes and businesses that were destroyed by four major hurricanes in the United States and the Caribbean.

Alabama harvests of pine sawtimber in 2004 were approximately 1.8 billion

board feet, while hardwood sawtimber was 313 million board feet. Sawtimber accounted for 34% of the total volume harvested. Pulpwood harvested in 2004 increased significantly to approximately

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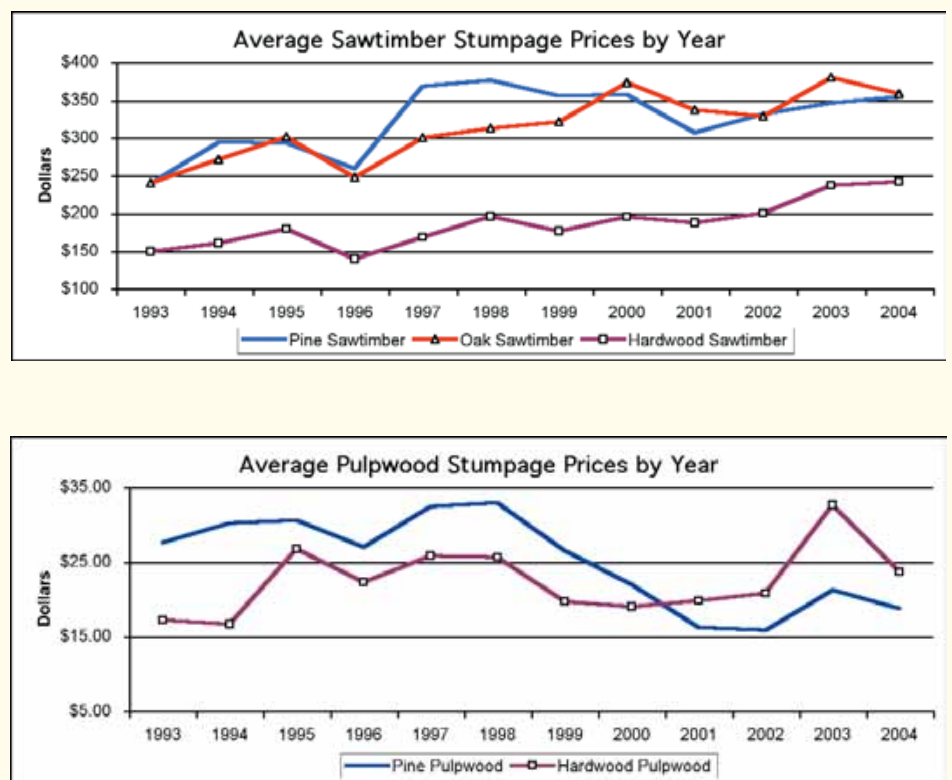


Figure 2 - Alabama's Price Trends by Timber Products

Source: Timber Mart-South Price Report

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6.7 million cords pine and 3.3 million cords hardwood. Pulpwood accounted for 66% of the total volume harvested, and was partly the result of salvaging sawtimber-sized hurricane-damaged timber as pulpwood.

Figure 2 shows Alabama's price trends by timber product from 1993 to 2004, as published by Timber Mart-South. Sawtimber prices rose slightly during 2004 and continue to remain strong the first quarter of 2005 as a result of a strengthening economy and a historically high level of housing startups. Pulpwood showed some price declines in 2004 but has since increased by roughly 15% during the first quarter of 2005. Unit prices rose slightly in north Alabama and decreased slightly in the southern half of the state. However, with the oversupply of hurricane-damaged timber, the slight

drop in south Alabama was not significant.

When you decide to sell timber, the first step is to locate potential buyers of your timber. Figure 3 shows the locations of major wood-using industries across the state. A directory of forest industries may be found on the Alabama Forestry Commission's website at www.forestry.state.al.us. You may also call your local county forester for a list of timber buyers and/or forestry vendors, or print a list using the Commission's website.

A wealth of other information is also available on the Commission's website for landowners to use in managing their property, such as Management Information Sheets. You should review the Management Information Sheets under the Harvest, Regeneration, and Site

Preparation subheadings prior to selling your timber. The "Selling Timber" sheet should be extremely helpful when beginning the process to sell your timber.

Alabama Forestry Commission employees in each county are available to provide you with specific stand management recommendations, direct you to other technical and financial assistance programs, and even provide direct services such as prescribed burning and fire lane construction. ☙

References

Forestry Resource Report, 2003. Alabama Forestry Commission.

Stumpage Price Mart and F.O.B. Mill Price Mart, Timber Mart-South. The Daniel B. Warnell School of Forest Resources, The University of Georgia, Athens, Georgia. Website address: www.tmart-south.com.



This Crenshaw County resident had retired as Systems Manager of Bailey Controls Systems. He attended Alabama A&M University, Lakeland College, and the Baptist Bible Institution. He was a deacon of Star Hope Missionary Baptist Church and a Third Degree Master Mason.

Elliott Salter lived a life of deep convictions and loved his family and friends immeasurably. During his lifetime he met and influenced many people, all the while assisting his neighbors. Mr. Salter is survived by his wife, Georgia; two sons; four daughters; six grandchildren; and his father, Jesse L. Salter, Sr. ☙

Memorial

Mr. Elliot L. Salter, age 70 of Luverne, Alabama died on January 29, 2005. He was one of the first landowners to serve on the State Forester's Outreach Advisory Council, and he was a devoted community volunteer and mentor for other minority landowners. He always led by example and held several tours on his property to demonstrate Best Management Practices. Because of his land ethic and work, he was one of the featured landowners in the Alabama Forestry Commission's *Minority Outreach* brochure.



Elliott Salter, a silvopasture practitioner, and the AFC's Dana McReynolds inspect his goat herd.

Visit the AFC website at
www.forestry.state.al.us